

# Split the baby: Power rates should be more progressive

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The Public Service Commission should follow Solomon's example and split the baby in Rocky Mountain Power's latest rate case.

Rocky Mountain Power, the electric utility formerly known as Utah Power, has reached a settlement with the Division of Public Utilities and the Committee of Consumer Services that its rates should be increased \$115 million in two phases beginning Dec. 11. However, the utility and committee disagree about how.

The company wants to increase the current residential customer charge, which pays the company for maintaining the line to your house, reading your meter and sending you a bill, from 98 cents a month to \$3.40. The company would eliminate its minimum monthly bill, which is currently \$3.67. Finally, the company would increase the price of a kilowatt hour by 45 cents.

Rocky Mountain Power argues that the increase in the monthly residential customer charge is justified because it has not been increased for about 21 years. Because it costs the company about the same to provide service to a house, regardless of how much electricity a customer uses, it is fair to charge each customer the same for that service, the company says.

The company also claims that it is fair to increase rates by 45 cents across the board. In summer, customers pay the lowest rate for the first 400 kilowatt hours, a higher rate for the next 600, and the highest rate for 1,000 or more. That graduated scale is designed to encourage conservation.

The Committee of Consumer Services claims, however, that the company proposal is unfair because the combination of a 250 percent increase in the monthly residential customer charge, plus a flat 45-cent increase across all three rate blocks in summer, would mean that the poor, who generally use the least energy, would pay the biggest percentage increase.

To remedy that, the committee would keep the monthly customer charge at 98 cents and increase the minimum monthly bill to \$4.05. It also would expand the lowest-price block of power in summer from 400 to 600 kilowatt hours and spread a larger percentage of the rate increase to the customers who use more than 1,000 kilowatt hours, usually for air conditioning.

The *Tribune* Editorial Board believes the company has a point about the monthly customer charge. So why not increase it to \$2.50, as the seniors-advocacy group AARP has suggested, but create a more progressive rate structure for the biggest energy users. That would be fairer all around.